

Chief Procurement Officer

TO:

## STATE PROCUREMENT OFFICE

Received by State Procurement Office 01/28/2016

## NOTICE OF REQUEST TO AMEND AN EXEMPTION FROM HRS CHAPTER 103D CONTRACT

FROM: DBEDT/HHFDC  Name of Requesting Department
Pursuant to HRS §103D-102(b)(4) and HAR section 3-120-5(d), the Department requests to amend an exempt contract as follows: 1. SPO-007, Exemption Reference (PE) Number: PE15-040K
2. Vendor/Contractor/Service Provider Name: Economic and Planning Systems, Inc.
3. Describe the goods and/or services:
Real estate consulting services to assist HHFDC in negotiating and contracting with a private developer for development of State-owned parcel located within Villages of Kapolei, Oahu, Hawaii, identified by TMK: (1) 9-1-016:035, and referred to as Northwest Corner.
4. Explain in detail what is being amended:
Fime of performance (this request is for a time-extension only).
5. Amended contract price for this request: \$ 0.00
5. Explain in detail why the amendment(s) are necessary:

Selecting and negotiating with a developer has taken much longer than anticipated so Contractor has only been able to complete 16percent of the services required under the existing contract. Negotiations began in April 2015 but are not expected to be completed by the contract expiration date of April 22, 2016. HHFDC anticipates that an additional 12 months will be necessary to complete the services under this contract, but would like an option to extend the contract for an additional 12 months beyond that should negotiations not be completed by April 22, 2017 (assuming no additional funding is requested).

Because this transaction deals with the sale and development of State lands, there has been extensive due diligence required by both parties and also multiple rounds of deal restructuring and approvals that have taken a toll on the timeline. Both parties are working diligently to complete the project in as timely a fashion as possible, but given the nature and complexity of the project, the timeline has extended far beyond what HHFDC and the contractor anticipated. However, the contractor remains committed to completing the contract with no modification to the price.

7. Identify the primary responsible staff person(s) conducting and managing this procurement. Appropriate delegated procurement authority and completion of mandatory training required.) \*Point of contact (Place asterisk after name of person to contact for additional information.) Name Division/Agency Phone Number **Email address** Krystal-Lee Tabangcura\* HHFDC 587-3179 krystal-lee.k.tabangcura@hawali.gov Ken Takahashi HHFDC 587-0547 ken.ttakahashi@hawaii.gov All requirements/approvals and internal controls for this expenditure is the responsibility of the department. I certify that the information provided is to the best of my knowledge, true and correct. JAN 26 2016 Department Head Signature Date For Chief Procurement Officer Use Only Date Notice Posted: Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to: state.procurement.office@hawaii.gov Chief Procurement Officer (CPO) Comments: Approval is granted for the period of April 23, 2016 through April 22, 2017 with the understanding that the department has determined that it is not advantageous to conduct a competitive procurement for a new consultant as additional time would be lost due to a new consultant needing to be first caught up on the past progress made by the current consultant. The option to extend for an additional 12 months is not approved as it is stated to not be needed according to their timeline, and the department is confident in being able to stick to the stated timeline. The approval is for the solicitation process only, HRS section 103D-310 (c) and HAR section 3-122-112, shall apply for all contracts awarded (i.e. vendor is required to provide proof of compliance and may use Hawaii Compliance Express) and award is required to be posted on the Awards Reporting System. Copies of the compliance verification and the award posting are required to be documented in the procurement/contract file. If there are any questions, please contact Kevin Takaesu at 586-0568 or kevin.s.takaesu@hawaii.gov. Approved Disapproved ☐ No Action Required

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